# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

STARRED QUESTION NO:435
ANSWERED ON:16.12.2016
New Development Bank
Sreeramulu Shri B.

**Will the Minister of FINANCE be pleased to state:**

(a) whether the New Development Bank (NDB) set up by BRICS countries has approved its financing plan for 2017 including two infrastructure projects in China and India;

(b) if so, the details thereof along with the budgetary allocation in this regard;

(c) whether the Government has applied to NDB for grant of other loans for infrastructure projects in the country, if so, the details thereof, State/UT-wise; and

(d) the steps taken by the Government for utilisation of NDB funds for development of infrastructure projects in the country?

## Answer

MINISTER OF FINANCE
(SHRI ARUN JAITLEY)

(a) to (d): A statement is laid on the table of the House.

Statement referred to in parts (a) to (d) of the reply to the Lok Sabha Starred Question No. 435 by SHRI B. SRIRAMULU regarding NEW DEVELOPMENT BANK to be answered on Friday, the 16th December, 2016

In the 7th meeting of Board of Directors of the New Development Bank (NDB) held on November 22, 2016, the "Operation Work Plan" and "Funding Plan" of the NDB for 2017 were approved, which, inter alia, target a lending of USD 2.5 billion during 2017. The NDB Board also approved the following two infrastructure projects for financing:

i) Loan of USD 350 million to the Government of India for the Madhya Pradesh Major District Roads Project to be implemented by MP Road Development Corporation Ltd. The project is for upgradation of approximately 1500 km of major district roads to improve connectivity of the interior regions of the state with the national and state highway networks.

ii) Loan of RMB 2 billion to People's Republic of China for PutianPinghai Bay Offshore Wind Power Project implemented by Fujian Investment and Development Group Co. Ltd.

Implementation of these projects will commence after the loan agreements are signed, and disbursement of loan will be on reimbursement basis.

In addition to the Madhya Pradesh Major District Roads Project, India has posed 6 projects to the NDB, details of which are as under:

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No. Project Name Proposed NDB Financing (In USD million) State/UT
1. Multi-tranche Financing Facility to Canara Bank for Renewable Energy Financing Scheme 250.00 This is a multi-tranche loan to the Canara Bank for on-lending to renewable energy projects under Renewable Energy Financing Scheme, and not specific to any State.
2. Water sector restructuring project for desert area 350.00 Rajasthan
3. Madhya Pradesh Road development Program -II 350.00 Madhya Pradesh
4. Madhya Pradesh Bridges development program 150.00 Madhya Pradesh
5. Bihar MukhyaMantri Gram SamparkYojna 841.00* Bihar
6. Multi village rural water supply schemes (MVRWSS) 470.00 Madhya Pradesh
* The loan amount is tentative and may undergo change during project preparation.

Posing of projects for financing by multilateral development banks, including the NDB, depends on viable proposals received from the sponsoring agencies, such as the State Governments and the Central Ministries. This is a continuous process. Projects posed for NDB financing are also aligned to the priority of the Bank, which is to mobilize resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries.